



The Myanmar Investment Commission  
PERMIT



Permit No. 542/2013

Date 1<sup>st</sup>, January 2013

The Myanmar Investment Commission issues this Permit under Section 10 of the Republic of the Union of Myanmar Foreign Investment Law-

- (a) Name of Promoter MR. KUAN, HOWARD HUAI-CHIH
- (b) Citizenship TAIWANESE
- (c) Address NO.110-112, 1(F) HEWLETT CTR, NO.54 HOI YUEN ROAD, KLN, HONG KONG
- (d) Name and Address of principal Organization NORTH SHORE GROUP LIMITED, NO.110-112, 1(F) HEWLETT CTR, NO.54 HOI YUEN ROAD, KLN, HONG KONG
- (e) Place of incorporation HONG KONG
- (f) Type of business in which investment is to be made MANUFACTURING OF GARMENT ON CMP BASIS
- (g) Place(s) at which investment is permitted PLOT NO. 16, 17 & 18, MYAWADDY MIN GYI ROAD, INDUSTRIAL ZONE (4), HLAING THAR YAR TOWNSHIP, YANGON REGION
- (h) Amount of foreign capital US\$ 1.370 MILLION
- (I) Period for bringing in foreign capital WITHIN ONE YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT
- (j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US\$ 1.370 MILLION
- (k) Permitted duration of investment 30 YEARS
- (l) Name of the economic organization to be formed in Myanmar NORTH SHORE GROUP CO., LTD.

  
Chairman

The Myanmar Investment Commission



မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်  
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၅၄၂ / ၂၀၁၃

၂၀၁၃ ခုနှစ်၊ ဇန်နဝါရီလ ၁ ရက်

ပြည်ထောင်စု သမ္မတ မြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို  
မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည်-

- (က) ကမကထပြုသူ၏အမည် MR.KUAN, HOWARD HUAI-CHIH
- (ခ) မည်သည့် နိုင်ငံသား TAIWANESE
- (ဂ) နေရပ်လိပ်စာ NO.110-112, 1(F) HEWLETT CTR, NO.54 HOI YUEN ROAD, KLN, HONG KONG
- (ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ NORTH SHORE GROUP LIMITED, NO.110-112, 1(F) HEWLETT CTR, NO.54 HOI YUEN ROAD, KLN, HONG KONG
- (င) ဖွဲ့စည်းရာအရပ် HONG KONG
- (စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား CMP စနစ်ဖြင့် အထည်ချုပ်လုပ်ခြင်း လုပ်ငန်း
- (ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) အကွက်အမှတ် ၁၆၊ ၁၇နှင့် ၁၈၊ မြဝတီမင်းကြီးလမ်း၊ စက်မှုဇုန်(၄)၊ လှိုင်သာယာမြို့နယ်၊ ရန်ကုန်တိုင်း ဒေသကြီး
- (ဇ) နိုင်ငံခြားမတည်ငွေရင်း အမေရိကန်ဒေါ်လာ ၁.၃၇၀ သန်း
- (ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ခွင့်ပြုမိန့်ရရှိပြီး တစ်နှစ် အတွင်း
- (ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၁.၃၇၀ သန်း နှင့် ညီမျှသော မြန်မာကျပ်ငွေ
- (ဋ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း နှစ် ၃၀
- (ဌ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေး အဖွဲ့အစည်းအမည် NORTH SHORE GROUP CO., LTD.

ဥက္ကဋ္ဌ

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

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THE REPUBLIC OF THE UNION OF MYANMAR  
MYANMAR INVESTMENT COMMISSION

Building No.(32), Nay Pyi Taw

Our ref : Ya Ka-1/Na-742/ 2013( 148 )

Tel: 067-406334,406075

Dated : 1<sup>st</sup> January 2013.

Fax: 067-406333

**Subject:** Decision of the Myanmar Investment Commission on the Proposal for " Manufacturing of Garment on CMP Basis " under the name of "North Shore Group Company Limited"

**Reference:** North Shore Group Co., Ltd. Letter dated (31-10-2012)

1. The Myanmar Investment Commission, at its meeting (39/2012) held on (28-12-2012) had approved the proposal for investment in " Manufacturing of Garment on CMP Basis" under the name of "North Shore Group Co.,Ltd." submitted by "North Shore Group Ltd." of Hong Kong as a wholly foreign owned investment.
2. Hence, the "Permit" is herewith issued in accordance with Chapter VI, Section 10 of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VI, Article 13 of the Procedures relating to the said Law. Terms and Conditions to the "Permit" are stated in the following paragraphs.
3. The permitted duration of the project shall be 30 (Thirty ) years commencing from the date of signing of the Lease Agreement for land and building and extendable for another 5(Five)years period by mutual agreement between Ma Ram Gay@ Daw Khin Pyone and North Shore Group Co., Ltd. of Plot No.(16) and Ma Ram Gay@Daw Khin Pyone, U Shu Sein and North Shore Group Co., Ltd. of Plot No.(17, 18). At the end of the Lease period, North Shore Group Co., Ltd. shall transfer the leased land and immovable properties to the lessor within 3 (Three) months in good condition, ground damages having been refilled and repaired.
4. The annual rent for the land and building for Plot No.(16, 17 and 18)shall be US\$ 67,708.02 (United States Dollar sixty-seven thousand seven hundred and eight and two cent only) calculated at the rate of US\$ 5.5 per square meter per annum on

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the leased land area of 12,310.55 square meter (3.042 acres) . The rate of rent shall be reviewed and revised in view of prevailing land lease rates after every five-year period and the rate of increase shall not be more than 10% of the preceding annual rent.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per Section 21(a)(i) and (j) of the Republic of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under Section 21 shall have to be applied upon the actual performance of the project;

- (a) As per section-21(a), exemption from income tax up to 36 (thirty six) consecutive months starting from the month of commencement of commercial operation.
- (b) As per section-21(b), exemption from income tax on profits of the business if they are maintained in a reserve fund and re-invested there in within one year after the reserve is made.
- (c) As per section-21(c), right to accelerate depreciation in respect of machinery, equipment, building of other capital assets used in the business to the extent of the original value for the purpose of income- tax assessment.
- (d) As per section-21(d), relief from income tax up to 50 percent on profits accrued from exports, following a 3-year tax holiday period.
- (e) As per section-21(e), right to pay income-tax payable to the State on behalf of foreigners who have come from abroad and are employed in the enterprise and the right to deduct such payment from the assessable income.
- (f) As per section-21(f), right to pay income-tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country.
- (g) As per section-21(g), right to deduct from the assessable income such expense incurred in respect of research and development relating to the enterprise which are actually required and are carried out within the State, only after 3 years tax holiday period.
- (h) As per section-21(h), right to carry forward and set-off up to three consecutive years from the year the loss is sustained following the enjoyment of exemption from income-tax, in accordance with Section-4 of the Income Tax Amendment Law, 1991.
- (i) As per section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare

parts and materials used in the business, which are imported as they are actually required for use during the period of construction.

- (j) As per section-21(j), exemption from customs duty and all other internal taxes on such raw materials which are actually required for operation of the business shall be granted within three years of commercial operation following the period of construction.

6. North Shore Group Co., Ltd. shall have to sign the Land and Building Lease Agreement with Ma Ram Gay@Daw Khin Pyone, U Shu Sein, Lessor. After signing such Agreement, (5) copies shall have to be forwarded to the Commission.

7. North Shore Group Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

8. North Shore Group Co.,Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. North Shore Group Co., Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

10. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal. North Shore Group Co.,Ltd. shall have to consult with Directorate of Labour, Ministry of Labour, Employment and Social Security for appointment of such foreign experts and technicians.

11. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provisions under Section-24 of the Republic of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

- (a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened;
- (b) the detailed lists of the type and value of foreign capital defined under Section-2(h) of the said Law, other than foreign currency.

12. Whenever North Shore Group Co.,Ltd. brings in foreign capital defined under Section-2(h) of the said Law, other than foreign currency in the manner stated in paragraph 11(b) mentioned above, the Inspection Certificate endorsed and issued by



an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

13. After all types of foreign capital (foreign currency and other types of foreign capital) have been brought into Myanmar, a report shall have to be submitted to the Commission as prescribed, vide Letter No. Na-Ya 9/101/92 (416) dated 3-12-92 [Annexure (1)].

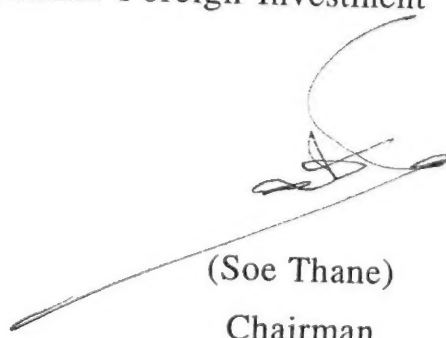
14. North Shore Group Co., Ltd. shall have the right to conduct account transfer in exchanging foreign currency into Kyat and vice-versa as per para 20 of the Notification No. 40/2011 issued by the Government of the Republic of the Union of Myanmar, dated 30 September 2011.

15. North Shore Group Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

16. North Shore Group Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide Letter No. Ya Ka-1/139/94(0440) dated 30-6-94 [Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems. In addition, North Shore Group Co., Ltd. shall be responsible to abide by the rules & regulations and comments made by Ministry of Environmental Conservation and Forestry. North Shore Group Co., Ltd. shall report to conduct Initial Environmental Examination (IEE) process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted, and to perform activities in accordance with this EMP.

17. Payment of principal and interest of the loan(if any) as well as payment for import of raw materials and spare parts etc., shall only be made out of the official foreign exchange earnings of North Shore Group Co.,Ltd.

18. North Shore Group Co.,Ltd. in consultation with Myanmar Insurance, shall effect such types of insurance defined under Chapter VIII, Article 15 of the Procedures relating to the Republic of the Union of Myanmar Foreign Investment Law.



(Soe Thane)  
Chairman

North Shore Group Co.,Ltd.

c/o Director General

Department of Human Settlement & Housing Development

- cc: 1. Office of the Union Government of the Republic of the Union of Myanmar
2. Office of the Yangon Region Government
  3. Ministry of National Planning and Economic Development
  4. Ministry of Finance and Revenue
  5. Ministry of Commerce
  6. Ministry of Construction
  7. Ministry of Foreign Affairs
  8. Ministry of Home Affairs
  9. Ministry of Immigration and Population
  10. Ministry of Labour, Employment and Social Security
  11. Ministry of Ministry of Environmental Conservation and Forestry
  12. Ministry of Electric Power
  13. Chairman, CMP Enterprise Supervision Committee
  14. Director General, Directorate of Investment and Company Administration
  15. Director General, Directorate of Industrial Supervision and Inspection

16. Director General, Customs Department
17. Director General, Internal Revenue Department
18. Managing Director, Myanmar Foreign Trade Bank
19. Managing Director, Myanmar Investment and Commercial Bank
20. Managing Director, Myanmar Insurance
21. Managing Director, Myanmar Electric Power Enterprise
22. Director General, Directorate of Trade
23. Director General, Immigration and National Registration Department
24. Director General, Directorate of Labour
25. Director General, Planning and Statistic Department
26. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)